

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

**NEXTGEAR CAPITAL, INC.,**

an Indiana company,  
Plaintiff,

Case No. 16-cv-10298

v.

**JOHN YURKOVICH AUTO SALES, INC.,**

a Michigan company, and

**JOHN YURKOVICH**, individually,  
Defendants.

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Daniel N. Sharkey (P53837)  
Brad A. Danek (P72098)  
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Attorneys for Plaintiff

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**DECLARATION OF DAVID EDWARDS  
IN SUPPORT OF VERIFIED MOTION AND BRIEF FOR  
POSSESSION OF COLLATERAL PENDING FINAL JUDGMENT  
AND TEMPORARY ORDER PENDING HEARING**

Per 28 U.S.C. § 1746, I, David Edwards, declare under penalty of perjury that the following is true and correct to the best of knowledge, memory, and belief:

1. I am a Default Risk Account Manager with Plaintiff NextGear Capital, Inc. ("NextGear").

2. I have had telephone communications with Defendant John Yurkovich.

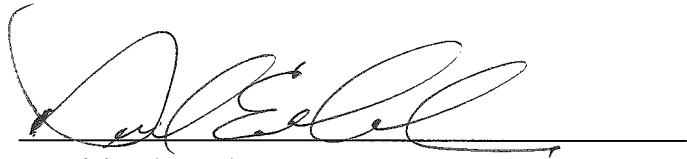
3. The narrow purpose of this Declaration is to update the Court regarding what has happened over the past week.

4. On February 2, 2016, I asked Mr. Yurkovich if he still had all of the vehicles he previously refused to release to NextGear so that we could again discuss his surrender of those vehicles. We were discussing the vehicles listed in NextGear's previous filings, referred to as "the Collateral."

5. In response, Mr. Yurkovich stated, they were "going to be done here very quickly." He then went on to state that it was tax time and to discuss retailing and selling the cars, indicating he planned to sell some or all of the vehicles, notwithstanding having been served with this court action. It was unclear if JYAS and Mr. Yurkovich had already sold additional vehicles. If such sales have happened already, no proceeds have been paid to NextGear as no payments have been received by NextGear since December 2015.

6. If JYAS and Mr. Yurkovich sell the vehicles, that will obviously impair the Collateral and prevent NextGear from recovering, which is why this update makes it especially critical that the Court enters a temporary order merely preventing Mr. Yurkovich from disposing of the Collateral until this Court can issue a ruling on the Motion.

Dated: February 4, 2016

A handwritten signature in black ink, appearing to read 'David Edwards', is written over a horizontal line.

David Edwards

Default Risk Account Manager

NextGear Capital, Inc.